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Eliminating the *'8 Wastes of Lean'* with Simulation Software

D Defects · O Overproduction · W Waiting · N Not Utilizing Talent · T Transportation · I Inventory Excess · M Motion Waste · E Excess Processing

What exactly is waste?

Waste, or Muda, is defined in the Toyota Production System (TPS) as ***anything that doesn't increase value for your customers***. When waste is removed, processes are streamlined, valuable time and costs are saved and customer satisfaction is improved.

There are ***eight common types of waste***, but did you know that simulation software like SIMUL8 can help you to discover and eliminate these in your organization?

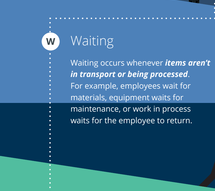
Together, simulation and Lean principles provide a framework to ***quickly test process improvements*** and ***pinpoint approaches that will effectively reduce waste***.

D Defects

Defects are products or services that are ***out of specification***. They need extra effort or resources to fix and lead directly to increased costs and lost time, either through repairs or having to start over.

O Overproduction

Overproduction, where ***production exceeds customer demand***, is considered the most harmful waste as it itself creates additional waste including excess inventory and transportation.

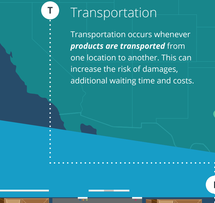


W Waiting

Waiting occurs whenever ***items aren't in transport or being processed***. For example, employees wait for materials, equipment waits for maintenance, or work in process waits for the employee to return.

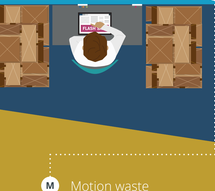
N Not utilizing talent

By ***under-utilizing employee skills and knowledge***, organizations limit their potential. Developing talent and providing opportunities to engage in process improvement can have a major impact in reducing waste.



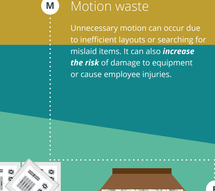
T Transportation

Transportation occurs whenever ***products are transported*** from one location to another. This can increase the risk of damages, additional waiting time and costs.



I Inventory excess

Inventory, such as raw materials, work-in-progress or goods which are sitting idle, is considered waste as it ***hasn't yet contributed value*** to the end customer.



M Motion waste

Unnecessary motion can occur due to inefficient layouts or searching for mislaid items. It can also ***increase the risk*** of damage to equipment or cause employee injuries.

E Excess processing

Excess processing is any activity that ***isn't needed*** to produce a functioning product or service and can occur due to ***unnecessarily*** drawn-out processes.

Why is ***simulation software*** a key tool for Lean projects?

Identify *under-performing, missing or unnecessary processes*

Perform ***risk-free experimentation*** *to understand* ***impact of changes*** *on performance*

Shorten time *to project completion through* ***rapid simulation modeling*** *and results*

Utilize employee knowledge *across the business and strengthen stakeholder buy-in*

A powerful, analytical approach for collaborative change

The key value of discrete event simulation software like SIMUL8 is the ability to improve processes through an ***analytical, risk-free and collaborative approach***.

If you ask 20 people at the start of a waste reduction or Lean project, ***"what do you think would be the best way to improve the process?"*** you will get 20 different answers!

Computer-based simulation draws out these views and offers the ***impartial insight*** needed to facilitate and foster collaboration across your business.

Simulation provides a ***visual and measurable representation*** of a system in action. Everyone can watch as a week, a month or years into the future are played out. A range of different ***'what-if' scenarios*** can also be added and tested.

This is where the real discussion can begin; each step of the process can be walked through and this shared understanding and the simulation results then ***drives discussion about how to effectively reduce waste***.

Any potential changes can be modeled and analyzed, ***providing evidence to select the most effective ideas and build the business case for change***.

With ***simulation***, you will shorten the time to project completion, strengthen stakeholder buy-in, and guarantee the impact of proposed changes even ***before*** you pilot.

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Find out how SIMUL8's powerful and flexible simulation software can help you to reduce waste in your organization at **www.SIMUL8.com/lean**

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